

Seattle Bank Unites Fintech and Personalized Service to Drive Client Success

Josh Williams

Chief Banking Officer at Seattle Bank

Seattle Bank is no stranger to evolving when economic conditions, competition, or customers change. Financial crisis? Digital banking? A global pandemic? Seattle Bank is strong and nimble enough to thrive facing these challenges, and today it stands as one of the fastest-growing and most efficient boutique banks in the country. These results are largely due to a leadership team investing in the latest fintech, staying focused on its market niche, and never losing sight of what's most important: personal connections with customers and staff.

Seattle Bank first opened as a family-owned mortgage company in the 1940s. Seattle Mortgage Company helped tens of thousands of people achieve homeownership in the 50 years that followed, becoming one of the most well-known and reliable local brands in the Puget Sound region. In the early 2000s, it expanded to offer traditional branch banking and evolved into a boutique bank for clients with interwoven personal and business financial needs that require customized products and personalized service.

After the economic crisis of 2008-2010 reshaped the region's banking industry, local business leaders recognized the importance of a locally owned and managed financial institution and stepped in with over \$60 million to recapitalize Seattle Bank. It was the nation's largest private recapitalization of a bank during that period that did not involve any government funding. Since then, Seattle Bank has utilized its strong capital foundation to establish itself as a community-focused, technology-driven boutique bank and a national model of efficiency and profitability.

John Blizzard, named President and CEO in 2014, was recruited to create a vision for the future of the bank, or as he puts it, help Seattle Bank define what it wanted to be when it grew up. "People have a very concrete view of how banking should be," said Blizzard, "but there's actually a fair amount of innovation you can bring to the space."

Executive Vice President and Chief Banking Officer Josh Williams explained that as technology and client needs evolve, Seattle Bank chooses to specialize rather than compete with bigger players with retail branch models. This has helped Seattle Bank differentiate itself from mass-market banks and serve clients in a more personalized, yet technology-driven, way.

Next-Gen Banking

This forward-thinking mentality led to the largest, if not most challenging, endeavor Seattle Bank has ever undertaken: converting its core operating system in early 2020. While the existing system was secure and reliable, it wasn't easily compatible with the emerging banking technologies rolling out at a fast and furious pace. Blizzard said this new core operating system will be a major strategic advantage for Seattle Bank going forward. "We'll look back three years from now and say, 'That was the smartest investment we've made.'" He views this as one of the team's most impactful achievements and believes it will demonstrate how flexibility and innovation pave the way for future success.

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Clients

Seattle Bank's highest priority is doing the right thing and looking out for its clients. (Even if that means suggesting another bank that might better suit their needs.) Customized solutions carefully blend the various aspects of a client's financial picture and one-to-one communication offers the personal attention not always available at larger banks. Seattle Bank has demonstrated this approach again and again throughout the pandemic, as current clients faced dramatic changes and new clients sought out the counsel of an attentive partner eager to support them.

Relationships

As commerce becomes increasingly digital, Williams noted, "Banking is still a relationship business, so if it's not going to be face-to-face, we have to figure out more ways to connect with customers." Seattle Bank prides itself on the fact that most new clients are referrals from existing clients or trusted independent financial partners. Collaborating with clients' CPAs and wealth advisors has led Seattle Bank to build enduring partnerships with members of the broader advisor community and earn a seat at the table when clients are making their most important financial decisions.

Community

Seattle Bank's longevity can be attributed, in part, to its commitment to the community. "It starts with being a good corporate citizen, contributing to making Seattle a better place to live and to work. As our community changes and grows, we are committed to changing and growing our role as a partner in economic and community development," said Blizzard. Over the years, Seattle Bank has been recognized for its support of community and nonprofit organizations from Alliance of Angels—the largest group of angel investors in the Pacific Northwest—and Female Founders Alliance—an organization laser-focused on helping women-run business access capital—to Seattle Children's Hospital and United Way. The value of corporate citizenship extends to the full Seattle Bank team, whose volunteer work is strongly supported.

Team

Seattle Bank manages nearly \$800 million in assets with just over 60 professionals, earning an efficiency measurement that is in the top 5% of the industry. Every team member receives stock options, a rarity in the banking industry, and this drives a high degree of commitment to the long-term success of the business. While all work remotely now due to COVID-19, the ultimate return of everyone to a central office will also mean a return to frequent group events and luncheons. Blizzard is committed to his twice-daily "walkabouts" when he casually meets and talks with team members, be it work-related or not. Thanks to the company's digital dexterity, the transition to a remote work model for social distancing has been smooth, and these daily walkabouts are now done virtually.

Looking ahead, Seattle Bank will bring together the best fintech, banking professionals, and community commitment possible to support this growth.

Leadership

Blizzard and Williams are joined by a seasoned executive team with a diverse range of expertise. "You've got to have the right people in the right seats doing the right jobs," said Blizzard. Their leadership style is rooted in strategic thinking, collaborative work, and a healthy dose of motivation. They are very attuned to the challenges clients face and how our team members are working to address them. "We're about keeping commitments, we're about integrity. We deal with very important decisions and activities in people's lives, so we have to keep that paramount at all times."

Pandemic

As social distancing measures during the COVID-19 pandemic led to the temporary closure of companies across the country, many business owners turned to Paycheck Protection Program (PPP) loans from the Small Business Association. These loans helped businesses keep their workforce employed when revenue slowed or, in some cases, came to an abrupt halt. Seattle Bank immediately pivoted to support the community and clients through this unprecedented time.

Working with a third-party fintech, the team set up a digital app so businesses could easily apply for PPP loans online. All in all, Seattle Bank originated more than 400 PPP loans. More than 90% percent of these loans were made to organizations that Seattle Bank had not previously served, many of whom had been turned away by their banks.

Understanding the high-volume and high-resource nature of the PPP, Seattle Bank also partnered with fintech Kabbage which originated loans to more than 300 additional businesses. “This ended up channeling a lot more money into the community,” said Williams. “We were able to work fast, and, with engagement at the leadership level, swiftly and strategically support businesses at this most uncertain and challenging time.”

After quickly becoming experts in this arena, Seattle Bank was invited to participate in a GeekWire panel to share what the team had learned with local business leaders. With the long hours logged by many, it was a very rewarding experience for the entire team, which went all in to ensure these businesses got the critical support they needed.

Looking Ahead

Growth has long been viewed as a key barometer of a bank’s success, but Seattle Bank isn’t interested in growth for growth’s sake. It’s interested in smart, innovative growth that reflects the best strategies and services for clients and the community. Looking ahead, Seattle Bank will bring together the best fintech, banking professionals, and community commitment possible to support this growth. Fortunately, it has a strong capital foundation, local ownership, and local leadership to help them do that just that, at a time when our region needs it most.

